

# CHRONOLOGY OF INTERNATIONAL EVENTS AND DOCUMENTS

SEP 25 1948

Supplement to

## THE WORLD TODAY

Published twice a month by the Royal Institute of International  
Affairs, Chatham House, St James's Square, London, S.W.1

Annual subscription 17s. 6d. Per copy 9d.

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Volume IV No. 16

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ARAB LEAGUE. 10 Aug.—*Israel*. In a Note to the Mediator the League rejected the invitation of the Tel Aviv Government, conveyed to them through him, to open direct negotiations for peace, on the ground that the League did not recognize the existence of any Jewish State or Government.

11 Aug.—*Palestine*. Arab leaders accepted Count Bernadotte's proposal that as from 13 August neither side in Jerusalem should return fire from the other side.

ARGENTINA. 6 Aug.—All the Radical (Opposition) Deputies in the Chamber resigned their seats collectively in protest against the decision of the Peronista majority to expel one of their number, Dr Sammartino, for a speech criticizing newspaper articles written by President Perón.

9 Aug.—*Antarctic Dispute*. Visit of official (*see U.S.A.*).

15 Aug.—*Constitutional Changes*. In discussion on a Bill moved by a group of Peronista Deputies to reform the Constitution, the Minister of the Interior, Sr Borlenghi, said that liberalism benefiting one class and prejudicing another had completed a cycle and was no longer the world's prevailing theory and doctrine; therefore Argentina needed an authentic democratic constitution. The Chamber of Deputies passed the Bill, which proposed reforms 'for the better defence of the people's rights and the nation's welfare' and for the election of a convention for this purpose by popular vote.

AUSTRALIA. 11 Aug.—*Nationalization*. The High Court ruled that a substantial number of the sections of the Banking Act of 1947, nationalizing private banks (*see III, p. 689*) were invalid, and made an order restraining the Commonwealth Government from implementing their nationalization plans for the banks.

13 Aug.—*Nationalization*. The Prime Minister, Mr Chifley, announced that the Government would appeal to the Privy Council against the High Court judgement invalidating the Banking Act, 1947.

BELGIUM. 6 Aug.—Trade agreement (*see Germany*).

BURMA. 9 Aug.—An infantry battalion stationed at Thayetmyo mutinied.

10 Aug.—About 350 troops from infantry and transport companies stationed at Mingaladon mutinied and proceeded north towards Prome. They were pursued and attacked by aircraft. It was understood that the units which had mutinied were sympathizers of the People's Volunteer Party.

11 Aug.—Mutineers from Thayetmyo who had proceeded south were ambushed near Letpadan, 100 miles north of Rangoon, and re-treated towards Prome.

12 Aug.—A curfew was imposed in Rangoon. Insurgents removed sections of the railway line between Rangoon and Mandalay, causing a temporary interruption in traffic.

15 Aug.—*Government Changes*. The Foreign Minister, U Tin Tut,

resigned to serve in the Army. He was appointed Inspector-General of a new auxiliary force, recruitment for which was to begin at once.

Some 400 insurgents attacked the village of Taikkyi, 40 miles north of Rangoon, and were repulsed by the garrison and police. Some 500 insurgents attacked Hmawbi, thirty miles north of Rangoon, and were also repulsed. Insurgents attacking Syriam, on the other side of the river from Rangoon, were driven back by the garrison and aircraft.

17 Aug.—Insurgents attacked the village of Kyunchang, on the Rangoon-Prome road, and were driven back.

A curfew was imposed on the Rangoon river area after reports of sniping on steamers.

19 Aug.—Government forces recaptured Minbu in Upper Burma and several small towns north and south of Rangoon, and also repulsed a strong attack on naval patrol boats at Tantabin, twenty miles north-west of Rangoon.

CANADA. 7 Aug.—Mr St Laurent, the External Affairs Secretary, was elected leader of the Liberal Party by an overwhelming vote in succession to Mr Mackenzie King, who resigned.

10 Aug.—Views on ex-Italian Colonies (*see Council of Foreign Ministers*).

15 Aug.—*Strategic Minerals*. The Premier of Quebec, Mr Duplessis, announced that a large titanium ore deposit had been discovered in eastern Quebec. In British Columbia an official of the Ministry of Mines confirmed that uranium had been discovered near Gunn Lake, fifteen miles north of Bralorne.

*Defence*. The U.S. Defence Secretary, Mr Forrestal, arrived in Ottawa on a visit.

18 Aug.—*Wheat Crop*. The Bureau of Statistics estimated that the 1948 crop would be approximately 372 million bushels. This was some 31 million more than in 1947, although it was about 35 million less than the yearly average for the ten years which ended in 1947.

CEYLON. 18 Aug.—U.N. membership vetoed (*see Security Council*).

CHILE. 9 Aug.—*Antarctic Dispute*. Visit of official (*see U.S.A.*).

CHINA. 19 Aug.—*Monetary Reform*. The Government announced the issue of 2,000 million new paper dollars, each worth rs., and backed by gold, silver, and old coin. The new currency, to be called the gold yuan, would be supported by a 100 per cent reserve and would be convertible into foreign exchange under control. Private possession of gold, silver, silver dollars, and foreign exchange was prohibited. The new currency formed part of a plan for economic reform, which included measures for balancing the Budget and controlling financial and commercial institutions and dealings.

COUNCIL OF FOREIGN MINISTERS. 6 Aug.—*Ex-Italian Colonies*. In a written statement to the deputies, South Africa proposed

that Tripolitania and Cyrenaica should be placed under British Trusteeship, the Fezzan under French Trusteeship, and Somalia and Eritrea under Italian Trusteeship.

10 Aug.—*Ex-Italian Colonies.* Giving their views on the future of the colonies in a written statement to the deputies, the Canadian Government advocated a continuance of outside assistance under the trusteeship system for Libya, Somalia (for which they would support the designation of Italy as administering authority), and certain areas of Eritrea.

The New Zealand Government, in a written statement to the deputies, said they considered Britain should be invited to assume trusteeship of the whole of Libya and recommended that Eritrea and Somalia be placed under international trusteeship under the U.N.

CYPRUS. 12 Aug.—*Constitution.* The Governor, Lord Winster, in an address to the Consultative Assembly, said the British Government had learned with regret of the action of seven members of the Assembly in voting against consideration of the proposed constitution (*see p. 354*). Since it was impossible for them to proceed with their work the Assembly would therefore be dissolved. The offer of a constitution of the nature already outlined (*see p. 324*) was not withdrawn.

13 Aug.—There was a strike throughout the island and many demonstrations demanding self-government.

CZECHOSLOVAKIA. 7 Aug.—Polish-Czechoslovak Economic Council (*see Poland*).

DANUBE CONFERENCE. 6 Aug.—Sir Charles Peake (Great Britain) supported the U.S. draft convention. Mrs Pauker (Rumania) and Mr Vyshinsky (U.S.S.R.) argued against it.

7 Aug.—The Conference rejected by seven votes to three (Britain, France, U.S.A.) the proposal to ask the Hague Court or a U.N. Tribunal for a ruling on the 1921 Convention (*see p. 516*).

9 Aug.—The Conference went into committee.

10 Aug.—The preamble to the Soviet draft convention was passed by seven votes to two (U.S.A. and France), Britain abstaining.

13 Aug. Article 5 of the Soviet draft, which would exclude the western Powers from the Danube Commission and also Austria until a peace treaty had been concluded, was passed by a majority vote.

16 Aug.—The British, U.S., and French delegations announced that they would refuse to take part in the drafting committee set up to prepare a new convention. Mr Keenleyside (Britain) said that the Soviet draft article dealing with disputes meant that only signatories of the convention would be able to get redress. It provided for a tribunal of three, two of them nominated by the States involved and the third by the chairman of the Commission, which could scarcely fail to mean a man favourable to the riparian States. Mr Vyshinsky denied that 'the Danube for the Danubians' was a form of isolationism. The river would remain open, but the responsibility for regulating it lay with the

Danube States. He was against the proposal to refer disputes to the International Court of Justice, and did not agree that politics ended where law began. 'Law is an instrument of politics and the reverse theory is untrue.' He did not understand why The Hague Court judges should be thought more impartial than local judges, and suggested that they would merely reflect the views of their own countries.

17 Aug.—The British delegation reserved its rights on the supplementary protocol of the Soviet draft, which wrote off all the property and obligations of the former Danube Commission. The Rumanian delegate attacked the finances of that Commission.

18 Aug.—The new Danube Convention based on the Soviet draft was passed by 7 votes to 1 (U.S.A.), Britain and France abstaining. M. Thierry (France) said the past could not be effaced by a simple vote, and the 1921 Convention could not be done away with without the agreement of all its signatories. The new Convention had been worked out by a single delegation, backed by a 'docile majority'. He proposed that the question be referred to the Council of Foreign Ministers and said that France could not sign or take part in a vote on a treaty which denied all the agreements reached in the peace treaties, in the Council of Foreign Ministers, and in the United Nations. Sir Charles Peake said 'unilateral and arbitrary action' by the U.S.S.R. and the promulgation of a new Convention, in defiance of the wishes of other Powers, did not abrogate the rights of those Powers. The British Government, and the Belgian, Greek, and Italian Governments, who had asked the British to state their case on their behalf, regarded the 1921 Convention as still in force and reserved all their rights. 'The British Government cannot recognize any new Convention which claims to place certain users of the Danube in a monopolistic position, nor any Convention which denies to non-riparian Powers with major commercial interests in that waterway any voice in the commission administering it.'

The U.S. delegate said the U.S.A. would not sign the Convention, but would not lose interest in the river, on which freedom of navigation was one of the conditions for Europe's recovery.

Mr Vyshinsky said freedom of navigation was guaranteed in Article I of the Soviet draft. Its guarantee lay in the participation of the riparian States, not of the non-riparian States. On this difference of principle there could be no compromise. The so-called 'acquired rights' had no legal or historical basis. French and U.S. statements (*see France and U.S.A.*).

EIRE. 6 Aug.—*Trade Agreement*. The Dail unanimously ratified the Agreement with Britain (*see p. 449*).

EUROPEAN ECONOMIC CO-OPERATION. 11 Aug.—Hr Hammarhjold (Sweden), head of the small group within the Organization occupied with the problem of long-term planning for Europe, said that a *questionnaire* would be sent to Governments asking four main questions: (1) how each Government envisaged the fitting of its economy into European economy; (2) the productive effort needed to achieve this state

of balance; (3) the effect of these productive plans on imports and exports; (4) domestic conditions, such as internal financial and social development.

13 Aug.—The Council met to discuss the distribution of U.S. aid and a system for intra-European payments.

16 Aug.—The Council concluded its discussions. A five-man committee (Belgium, Britain, France, Norway, and Greece) was set up to consider the probable balance of payments between member countries for 1948-49.

FINLAND. 17 Aug.—*State Police*. The findings of the committee set up to inquire into the activities of the State police showed that 80,000 persons and 10,000 organizations had been filed as suspects since 1945 (when the entire State police force was changed). Among the new police recruits were 37 persons who had been sentenced for treason, 17 for military crimes, and 22 for ordinary crimes. One detective had a criminal record which included treason, 10 cases of theft, and attempted murder. The committee reported several illegalities in the methods used and stated that 85 per cent of the men were incompetent and unqualified for police functions. Among the persons shadowed by the police were two members of the Cabinet and many members of the Diet. As a rule the Popular Democrats (the extreme Left) and their organizations were exempt from these activities.

FRANCE. 6 Aug.—*Finance and Economy Bill*. The Government tabled in the National Assembly a Bill of M. Reynaud giving it special powers to carry out a programme including the reform of the public and utility services, reorganization of publicly-owned enterprises, reform of social security and taxation, and other measures.

The Government ordered a special audit of the accounts of General de Gaulle's Governments in London and Algiers.

7 Aug.—*Finance and Economy Bill*. Defending the Bill to the Assembly, M. Reynaud said that France was living on U.S. aid. This ought to be spent principally on new equipment but most of it was in fact required for current consumption; in spite of its size it covered no more than two-thirds of France's needs. If the next four years were not wisely used, the end of U.S. aid in 1952 would mean unemployment in industry and a catastrophic fall in the standards of living. In conjunction with the trade unions he would examine the question of labour output. France must spend fewer dollars on food. 'Either agriculture must become our foremost national industry or the future will be very black. We must not only feed ourselves but help to feed our neighbours.' Referring to the untapped resources of the French Union, he said that French North Africa should become the world's principle supplier of lead and that trade should be developed with India, South Africa, and Australia. The Government would fight to maintain the standard of living, but the essential condition was an increase in production.

11 Aug.—*Finance and Economy Bill*. The Assembly passed by 325 votes to 215 the Bill with an amendment to the effect that the Govern-



ment's new fiscal measures must first 'be submitted to the vote of Parliament'.

15 Aug.—*Finance and Economy Bill*. The Council of the Republic passed the Bill by 173 votes to 90.

17 Aug.—*Finance and Economy Bill*. The Assembly passed, by 358 votes to 202 in second reading, the Bill from which the Council of the Republic had deleted the amendment providing that new fiscal measures must be submitted to a vote of Parliament.

18 Aug.—*Danube Conference*. M. Schuman, the Foreign Minister, told the Foreign Affairs Committee of the Council of the Republic that France would refuse to sign the Danube Convention and would appeal to the International Court for relief from the decisions taken. The Belgrade decisions were contrary to the most elementary rights of France.

*Western Union*.—The Council of Ministers approved and decided to take action on the memorandum, prepared by the International Committee of Movements for European Unity, which set out proposals for the establishment of a European Assembly.

*Farmers' Charter*. The Government drew up a farmers' charter giving priority to immediate agricultural needs, such as secondary cereals and fertilizers, expanding the programme for rural development, and adopting a policy of guaranteed prices based on production costs. Finally, by means of long-term agreements with food-importing countries, the farmers would be assured of a market for increased production. In return the farmers' union undertook to co-operate in production and investment plans, particularly in connection with wheat and dairy products. They also recognized the necessity for a supreme effort to supply the French consumer with sufficient food at reasonable prices.

19 Aug.—*Viet Nam*. The Assembly endorsed, by 347 votes to 183, a Government declaration that the régime in Cochín-China did not 'correspond to present requirements', and that it rested with the peoples of that territory 'to decide freely their final status within the framework of the French Union'. It renewed the High Commissioner's appeal for co-operation in organizing a popular consultation and then setting up a democratic Government for the whole territory (*see also Viet Nam*).

GERMANY. 6 Aug.—*Berlin*. It was announced that, owing to the imposition of 'clearly unacceptable conditions' by the Soviet-controlled *Deutsche Notenbank* for the freeing of the accounts of private firms in the western Sectors, the Western Military Governments had decided that such firms whose eastern mark accounts remained blocked might receive loans in Deutschemarks to pay wages and salaries, up to RM 100 for each worker employed.

Moscow talks (*see U.S.S.R.*).

*French Zone*. Hr Schmidt, the acting Prime Minister, announced in the Diet the resignation of his Government in protest against French dismantling policy.

*Bizone*. Plans were issued by the Military Governors whereby the

German authorities under Allied control were to be charged with the administration of all assets of I.G. Farben situated in the Bizone. (This put an end to the system of quadripartite control under the Control Council law.)

*Trade Agreement.* A protocol concerning trade and payments was signed between the Bizone and the Belgo-Luxembourg economic union.

9 Aug.—*Berlin.* Moscow talks (see *U.S.S.R.*).

*French Zone.* About half a million workers in South Wurttemberg-Baden struck for twenty-four hours in protest against dismantlement.

10 Aug.—*Berlin.* London consultations (see *Great Britain*).

In response to an appeal from the *Magistrat*, the British Commandant, Major-Gen. Herbert, offered the use of offices in a British Military Government building for the staff of the Central Food Office. (The staff was having to move out of its headquarters in the Soviet Sector owing to the action of the Soviet authorities in appointing as representative to handle their rationing scheme Hr Letsch, who proceeded to direct almost the entire staff of the Food Office to operating the Soviet scheme and to take over most of the office accommodation and equipment from the legitimate head of the Food Department, Hr Fuellsack.)

*Soviet Zone.* It was reported that there had been a strike over the week-end in a machine works of the Magdeburg district as a protest against the lack of meat and fats, and that thirty arrests had been made.

*Frankfurt Régime.* Press attacks (see *U.S.S.R.*).

11 Aug.—*Berlin.* The U.S. Secretary for Air, Mr Symington, and the Chief of Staff of the U.S. Air Force, Gen. Hoyt Vandenburg, arrived in Berlin. Mr Symington stated that as many more Skymasters would be used as were necessary to maintain the 'air bridge', and that there would be no reduction in deliveries during the winter.

The British, U.S., and French authorities instructed the acting Burgomaster, Frau Schröder, that tax revenues of the city must not go into the central treasury (where they would come under Soviet control) but must be retained to cover the city's liabilities in the western sectors.

*Trade Agreement.* The Anglo-U.S. Zone concluded an agreement covering \$28 million worth of goods with Hungary, which would supply agricultural products in exchange for machinery and chemicals.

12 Aug.—*U.S. Zone.* Mass demonstrations against high food prices occurred in Frankfurt, Offenbach, Siessen, and Kassel.

13 Aug.—A British statement declared that the Jews from the *President Warfield* (see III, pp. 460 and 532) had gradually been leaving their camp for an unknown destination and had now all disappeared.

15 Aug.—*British Zone.* Gen. Robertson returned to the Zone.

*Berlin.* The Social Democrats, Christian Democrats, Liberal Democrats, and the independent trade union organization (U.G.O.), in a memorandum to the western Powers, asked for the recognition of the west mark as the only valid currency in their sectors of the city. They referred to the east mark as 'a currency of war' designed to finance the Soviet policy of reparations and dismantling. They said that the population wished to be associated with 'the policy of the rising standard



of living of the west'. The offer of the western Powers to accept the east mark provided it was issued under the authority and control of all four Powers was rejected on the ground that this would link Berlin with the Soviet Zone and Soviet economic policy.

18 Aug.—*Socialist Unity Party*. The organ of the party, *Neues Deutschland*, published a report of a conference of local leaders in Thuringia on 14-15 August. It had passed a resolution welcoming the decision to cleanse the ranks of 'hostile decadent elements'; acknowledging 'defects and weaknesses'; and announcing that both officials and members were still influenced by the 'strong ideological backwash' of the pre-1933 years. The 'conception of tolerance' still prevailed in the factories and the fields and showed itself, for example, in the opposition of employees to the socialization of the works of 'Fascist' employers. A large section of the party members and even of the party officials had not yet realized that the Social Democratic machine and the 'opposition Communist Party' had become the instrument of 'class enemies'. It had to be regarded as a particular weakness that the 'ideological reckoning' with these forces had not been sufficiently carried out in Thuringia. Local leaders were given until 25 August to carry out the 'ideological purification' necessary to cleanse the ranks of 'all elements hostile to the party and to the U.S.S.R.' The conference said that the criticism by the Cominform of the Communist Party in Yugoslavia 'is of the greatest significance also for us. The mistakes of the Yugoslav Communist Party have again shown us, among others, that the importance of the alliance with the peasants has not been fully understood.'

GIBRALTAR. 16 Aug.—*Constitutional Changes*. Local representative bodies unanimously rejected the Government's proposals for a Constitution which suggested combining a Legislative Council with the city council in one body as the Government thought that the institution of a Legislative Council in addition to the city council would result in over-government of a place so small as Gibraltar. They expressed great disapproval that the Government had failed to implement the promise made in 1945 to grant a Legislative Council, the institution of which they demanded without delay. They considered that the decision whether or not Gibraltar was 'over-governed' with a Legislative Council should be taken by the Legislative Council itself after and not before the Constitution already agreed upon had been given a trial.

GREAT BRITAIN. 10 Aug.—*Germany*. The U.S. Ambassador called on Mr Bevin.

*Kidnapped Britons*. Three released (see *Palestine*).

13 Aug.—Jews from *President Warfield* (see *Germany*).

14 Aug.—*Germany*. Mr Bevin received Gen. Robertson.

16 Aug.—*Northern Rhodesia*. The Colonial Office announced that in discussions with a delegation from the unofficial members of the Legislative Council, in which the Governor and two Africans selected by the African Representative Council had taken part, it had been agreed not to proceed with proposals for constitutional reform made by the

unofficial members (*see p. 351*). But in order that members of the non-official community should play a greater part in the administration, it was proposed that the Executive Council should include four unofficial members, of whom one would, as at present, be one of the members of the Legislative Council nominated to represent African interests, while the remaining three would be appointed from among the elected members. One or two of the four would be given responsibility for groups of departments, retaining their seats as elected members and not becoming officials. It was also agreed that, in the future, the maximum statutory duration of the Legislative Council of Northern Rhodesia should be five years.

17 Aug.—*Malaya*. The Government announced that a Guards brigade and certain ancillary troops were being sent to Malaya.

GREECE. 7 Aug.—*Palestine*. Sir Raphael Cilento, director of the U.N. Social Activities Division, speaking at Rhodes, described the plight of the Arab refugees as a 'human disaster on a lavish scale, comparable to the San Francisco or Japanese earthquakes, tidal waves, and floods'. He had just returned from a six-day tour of the Arab refugee camps. 'Here are 300,000 people quite helpless, suddenly thrown on the rest of the world, which can save them or let them die.'

16 Aug.—The Army occupied the Starros mountain range and the village of Aetomilitsa, until recently the headquarters of Markos.

HUNGARY. 11 Aug.—Trade Agreement (*see Germany*).

14 Aug.—The Government published a decree providing for the setting up of agricultural co-operatives. Fifteen to twenty-five peasants would be able to form co-operatives both for working their farms and marketing produce. Half of any profits made would be re-invested in improvements on the farms.

HYDERABAD. 6 Aug.—It was reported that the resignations of the Prime Minister and Commander-in-Chief had not been accepted by the Nizam.

8 Aug.—The Prime Minister and Commander-in-Chief denied that they had ever resigned (*see p. 526*). The latter told the press: 'Our army is fully prepared to fight if India uses force.'

10 Aug.—Members of the State Legislative Assembly representing the Lingayat (Hindu) Community, resigned in protest against the Government's 'retrograde policy and reactionary organization in the State', and in compliance with an order from the standing committee of the Lingayat Conference.

Patel speech and White Paper (*see India*).

19 Aug.—The Prime Minister, Mir Laik Ali, in a letter to Pandit Nehru, stated that the Government was, for the following reasons, referring the dispute to the United Nations: India had broken the existing 'standstill agreement', signed in November 1947 and operative for a year, by exerting improper pressure upon Hyderabad State through economic blockade and financial sanctions; had permitted

armed raids to be made into Hyderabad; and had violated its territorial integrity by stationing Indian military forces at three places within Hyderabad's borders, and was threatening armed aggression.

INDIA. 8 Aug.—*Hyderabad*. Sir Mirza Ismail returned home to Bangalore. He told the press that he had come to Delhi with the authority of the Nizam in an attempt to bring about a *rapprochement*. 'Unfortunately my efforts have been nullified by the influence of extremist elements in Hyderabad, more particularly by the *Ittihad-ul-Muslimin* members of the Council, who prevailed upon the Nizam to reject my advice. In my view all talk of Hyderabad's independence, in the internationally used sense of the term, is academic. Hyderabad has already agreed to hand over control of its communications, defence, and foreign relations to the Indian Union, and therefore its independence is restricted to internal autonomy. This last I feel sure would not be challenged by those in authority in India and therefore there should be no hesitancy on the part of the Nizam in signing the draft agreement of 17 June' (see also *Hyderabad*).

10 Aug.—*Hyderabad*. The States Minister, Sardar Patel, told Parliament that an independent Hyderabad, pursuing its own policies, would be a standing threat to the progress and prosperity, indeed to the very existence, of the Indian Union. Accession and responsible government was the only solution. The situation inside Hyderabad was rapidly deteriorating, and the depredations of Razakars on the borders of India were taxing Indian patience increasingly.

The Minister placed on the table the Government White Paper on Hyderabad. It contained the following passages: 'The Government . . . cannot afford to be helpless spectators of orgies of misrule in Hyderabad. . . . In his misguided quest for unchecked absolutism, the Nizam is converting Hyderabad into a potential foreign base.'

Hindus resign (see *Hyderabad*).

15 Aug.—*Kashmir*. Recommendations (see *India-Pakistan Commission*).

Some twenty persons were killed in disturbances at Agra during Independence Day celebrations. A curfew was imposed.

16 Aug.—*Government Changes*. The Finance Minister, Mr Chetty, resigned.

18 Aug.—*Kashmir*. Army headquarters announced the loss of Skardu, an important strategic point on the line of communication between Srinagar and Gilgit.

19 Aug.—*Hyderabad*. Dispute referred to U.N. (see *Hyderabad*).

INDONESIA. 17 Aug.—New Dutch plans (see *Netherlands*).

ITALY. 7 Aug.—*Peace Treaty*. It was announced that the U.S.S.R. had asked the Government to speed up the surrender of Italian warships due to it. It was confirmed that the surrender of the ships depended on the U.S.S.R. returning to Britain and the U.S.A. vessels received on loan during the war.

9 Aug.—Sr Nenni in Moscow (*see U.S.S.R.*).

11 Aug.—*Labour*. The Catholic wing (about 20 per cent) of the National Federation of Labour decided to break with the Federation and formed itself into a new organization, the Confederation of Free Italian Workers.

*Popular Front*. Following meetings between Socialist and Communist leaders, it was decided to dissolve the Popular Front and to substitute an organization to be known as the Democratic Republican Alliance.

17 Aug.—*Frontier with Yugoslavia*. The Government held discussions with Yugoslavia on the problem of the permanent boundary line between the two countries.

18 Aug.—*Persia*. The Shah arrived in Rome on a State visit.

JAPAN. 12 Aug.—*Government Employees*. The Government issued a warning to workers in the administrative and judicial departments of the Government, the State railways, the Ministry of Communications, and State monopolies, to the effect that under the terms of their recent ordinance (*see p. 527*) the right to conduct collective bargaining was henceforth not recognized, that all labour contracts and agreements concluded in the past were invalidated, that Government employees working solely for trade unions would not be paid any salary, and that, since strikes, slow-down tactics, and other acts detrimental to the working efficiency of the administration were now prohibited, all violations would be severely punished.

The acting Soviet member of the Allied Council, Maj.-Gen. Kislenko, protested to Gen. MacArthur that the Government's ordinance violated the terms of the Potsdam declaration and insisted that it be cancelled. He considered the measures being taken by the U.S. authorities and the Japanese Government were 'aimed at suppressing the activities of democratic organizations in general and the activities of labour unions in particular'.

KOREA. 12 Aug.—U.S. representative appointed (*see U.S.A.*).

15 Aug.—The Republic of Korea was proclaimed at Seoul with Dr Syngman Rhee as President. Gen. MacArthur, who was present at the ceremony, referring to the separate Government in the Soviet Zone, declared: 'This barrier must, and will be, torn down. Nothing shall prevent the ultimate unity of your people as the free men of a free nation.'

MALAYA. 7 Aug.—The European manager of a Johore estate was murdered and all the estate buildings set on fire by terrorists.

8 Aug.—Terrorists near Perak murdered the Chinese superintendent of a rubber estate and his wife.

9 Aug.—Three terrorists were killed by police and troops on an estate in Johore. A Chinese schoolteacher was shot dead by terrorists at Segamat, Johore.

12 Aug.—R.A.F. aircraft attacked an insurgent headquarters, a supply depot, in Kelantan, near the Siamese frontier.

13 Aug.—Aircraft attacked an insurgent camp in south Pahang.

16 Aug.—Aircraft attacked an insurgent headquarters in Perak, eighty miles south-east of Ipoh.

17 Aug.—Army reinforcements (*see Great Britain*).

Ground forces occupied and destroyed the insurgent camp in Perak bombed the previous day. Aircraft attacked another camp twenty miles south-east of the Pahang town of Bentong.

18 Aug.—Police and Gurkhas raided a squatter area on the Kota estate near Rasa, Negri Sembilan. A police investigation party was ambushed by terrorists twenty miles north of Johore Bahru, but beat off their attackers.

19 Aug.—Terrorists attacked estates in Pahang and Kajang, where they set fire to a week's rubber production. The police reported the capture of two terrorist leaders.

MAURITIUS. 10 Aug.—*Election*. A general election was held. Eight members of the general population and eleven members of the Indian community were elected to the Legislative Council.

NETHERLANDS. 6 Aug.—*New Government*. Dr van Schaik was successful in forming a Government. Labour (5): Prime Minister, W. Drees; Finance, Prof. P. Lieftinck; Social Affairs, Dr A. M. Joeke; Reconstruction, D. J. In't Veld; Agriculture, S. Mansholt; Roman Catholics (6): Vice-Premier, Dr van Schaik; Overseas Territories, Dr E. M. J. A. Sassen; Justice, Dr T. H. Wyers; Domestic Affairs, Dr J. A. van Maarseveen; Economic Affairs, Prof. R. van den Brink; Education, Prof. R. Rutten. Liberal: Foreign Affairs, Dr D. V. Stikker; Christian: Defence, Dr W. F. Schokking; Independent: Minister Without Portfolio, L. Goetzen.

17 Aug.—*Indonesia*. A Government statement suggested the establishment simultaneously of the United States of Indonesia and a 'durable, real Royal Netherlands-Indonesian Union with one or more bodies holding the highest authority in the field of that Union's activities'. The organs of the proposed Netherlands-Indonesian Union would be distinct from those of each partner. The Union's task would be to look after the common interests of Holland and Indonesia, including foreign and defence matters, to guarantee legal security, human rights, and liberty, to ensure a sound administration within the territories of both members, to promote cultural, financial, economic, and military relations between both countries, and to plan for reciprocal aid between them. It was pointed out, however, that it was the Government's intention that the Crown should be maintained at the head of the Union and that there should be real royal authority and sovereignty. The Government had in mind for Indonesia the status of a constituent State in the United States of Indonesia. For that reason the foreign relations already established by the Republic were not recognized as such.

NEW ZEALAND. 10 Aug.—*Views on ex-Italian Colonies* (*see Council of Foreign Ministers*).

19 Aug.—*Exchange Rate: Budget*. The Finance Minister, Mr Nash,



presenting his Budget, said that, as from that day the New Zealand pound would be restored to parity with sterling. There was a disequilibrium between prices in New Zealand and those in other countries, particularly in the dollar area, and corrective action was necessary to check its growth. The restoration of parity would mean a substantial reduction in the cost of imported commodities, and contribute considerably to a reduction of farmers' and manufacturers' costs as well as to the general cost of living. The Budget proposed tax reductions of £4 million, leaving the estimated Consolidated Fund revenue at £114,867,000, compared with £117,116,000 collected in 1947.

He summarized the outstanding characteristics of New Zealand's present economic position as (1) ample markets for her produce; (2) full employment; (3) a national income greater than the value of available supplies of goods and services; and (4) excessive pressure on prices. He estimated overseas receipts in 1948 at £174,750,000 and payments at £182,250,000. At the end of July the Dominion's overseas balances amounted to £92 million, but it was vital to the country's economy that the war-time accumulation of sterling should not be unduly reduced until it had provided for deferred capital and maintenance needs for primary and secondary industry and public purposes.

**NORTHERN RHODESIA.** 16 Aug.—Discussions on government (*see Great Britain*).

**PALESTINE.** 6 Aug.—Proclamation to Arab Legion (*see Transjordan*).

Kidnapped Britons (*see U.N. Security Council*).

7 Aug.—*Arab Refugees (see Greece)*.

8 Aug.—*Jerusalem.* The Zionist military authorities and the Arab Legion agreed to declare the pumping station at Latrun (*see p. 533*) no man's land.

The Irgun Zvai Leumi informed the Zionist military governor, Dr Bernard Joseph, that while they objected in principle to the appointment of a military governor (*see p. 530*) and the declaration of Jerusalem as occupied territory, they would submit to the Governor's decisions. By an agreement between the Zionist defence army and the Irgun, Irgun was to maintain its independent military formations but to co-ordinate its military activities with the army's.

*Arab Refugees.* Forty-nine cases of typhoid were notified among the 100,000 Arab refugees in the Judean and Samarian hills.

Jamal Husseini's statement (*see U.S.A.*).

9 Aug.—*Israel.* It was announced that the mass immigration scheme under which 600,000 European Jews would be admitted would begin immediately. More than 30,000 had already arrived since the 13 May. In co-operation with the American Joint Distribution Committee, a plan to tranship and resettle 10,000 Jews a month had already been prepared. Transport costs alone would be \$1,250,000 a month; which the A.J.D.C. had agreed to pay. Relief for Jews in Muslim countries, estimated to number about 800,000, was being organized and it was hoped eventually that they would be allowed to migrate to Israel.



The first Soviet Minister, Mr Yarshov, arrived with a staff of 17.

10 Aug.—*Kidnapped Britons*. Three of the five were released by the 'magistrate' because the prosecution had produced insufficient evidence to warrant further investigation. He refused to release on bail the remaining two.

*Israel*. Invitation rejected (see *Arab League*).

Arab refugees (see *U.N. Secretariat*).

11 Aug.—*Israel*. Count Bernadotte instructed the Foreign Minister, Mr Shertok, to withdraw before midday, 12 August, troops who occupied two villages near Latrun after the beginning of the truce.

*Jerusalem*. Mediator's proposal accepted (see *Arab League*).

12 Aug.—The pumping station at Latrun was blown up by an unidentified band of men.

*Israel*. The Government proposed to the Mediator that there be an exchange of prisoners-of-war.

*Arab Refugees*. British help (see *U.N. Security Council*).

13 Aug.—*Jews from President Warfield* (see *Germany*).

15 Aug.—*Jerusalem*. A Tel Aviv communiqué stated that Arab attacks had been directed against Mt Zion and other points.

16 Aug.—*Israel*. *Currency Reform*. The Finance Minister, Mr Kaplan, stated that, as from the following day, an Israel pound would replace the Palestine pound and would be equal to it and the pound sterling in value. The new notes would be issued by the Anglo-Palestine Bank at Tel Aviv, acting as bankers for the provisional Government.

Aid for refugees (see *U.N. Secretariat*).

17 Aug.—*Israel*. Request on truce (see *Security Council*).

*Jerusalem*. Arab statement on fighting (see *Transjordan*).

18 Aug.—*Jerusalem*. Shelling and sniping continued in the city.

PAKISTAN. 15 Aug.—*Kashmir*. Recommendations (see *India-Pakistan Commission*).

PARAGUAY. 15 Aug.—*Presidency*. Sr Gonzales took office as President.

PERSIA. 18 Aug.—Shah in Italy (see *Italy*).

POLAND. 7 Aug.—*Council of Polish-Czechoslovak Economic Co-operation*. The Conference ended after concluding an agreement for the close co-ordination of all long-term planning of both countries, as well as problems of production and investment, and which envisaged a joint five-year economic plan. It was decided to conclude in 1948 a five-year trade treaty, which would result by 1953 in a trade of the equivalent of £100 million yearly.

SAUDI ARABIA. 12 Aug.—Diplomatic relations (see *Transjordan*).

SIAM. 11 Aug.—*Communism*. The Prime Minister, Marshal Pibul Songram, announced that Army leave had been restricted because an outbreak of unrest was feared, and appealed to the people to refrain from

supporting any ideologies calculated to lower national prestige and provoke chaos.

13 Aug.—The police arrested some 200 persons suspected of being implicated in 'secret society gangsterism' extortion, and other crimes.

SOUTH AFRICA. 6 Aug.—Parliament was opened. The Speech from the Throne said that the native question would continue to receive the serious attention of Ministers, but that no legislation of a radical nature was to be introduced this session.

Views on ex-Italian Colonies (*see Council of Foreign Ministers*).

18 Aug.—*Immigration*. The Minister of the Interior, Dr Dönges, told the House of Assembly that the Government would honour the obligations of the previous Government towards prospective immigrants whose passages to South Africa had been arranged already and towards the wives and families of immigrants already in South Africa. It would divest itself of financial responsibility, however, for providing transport to the Union, and after the end of the year special sailings of immigrant ships would cease. The Government also proposed that all future immigrants should pass through a more discriminating process of selection.

TRANSJORDAN. 6 Aug.—*Palestine*. A proclamation by King Abdullah on the part played by the Arab Legion said: 'Your army has preserved the holiness of Jerusalem. We and others went into this fight jointly. Here we are. Where are the others? We have fought and progressed, but we have not seen this progress made by others.'

12 Aug.—*Saudi Arabia*. It was agreed to exchange diplomatic representatives.

17 Aug.—*Palestine*. The Arab Legion issued a statement accusing the Jews of having attacked their lines at Jerusalem with tanks, armoured cars, and automatic weapons. They said the attack was repulsed and several hundred Jews were killed. They claimed to have captured several armoured cars and a quantity of munitions and to have occupied positions from which the Jews launched their attack.

TURKEY. 6 Aug.—*Defence*. It was announced that a Council of National Defence would be established, under the chairmanship of the Prime Minister.

## UNITED NATIONS

### ARMAMENTS COMMISSION

12 Aug.—The Commission decided by nine votes to two (U.S.S.R. and Ukraine) that measures for the regulation and reduction of armaments could not be put into effect until an atmosphere of international confidence and security had been created. As conditions of such an atmosphere the Commission mentioned the conclusion of peace treaties with Germany and Japan, the provision of military forces for the Security Council, and an agreement on the international control of atomic energy.

## BALKANS COMMISSION

18 Aug.—The general report of the Commission stated that Greek guerrillas had received aid from Albania, Bulgaria, and Yugoslavia in the form of war material, use of territory for tactical operations, and return to Greece after rest and hospital treatment. They were convinced that continuance of this support constituted a threat to the independence of Greece as well as to international security in the Balkans, and recommended that while the present disturbed conditions along the northern frontiers of Greece continued, an agency of the United Nations should still watch relations between Albania, Bulgaria, Yugoslavia, and Greece, and try to bring about a peaceful settlement. They also recommended, in the interest of economy, the formation of a special committee in a modified form. An Australian reservation on the third chapter stated: 'It was unnecessary and inadvisable to draw categorical conclusions either from the presumptions of observers who had no access to three of the four countries concerned or from the evidence of witnesses produced by only one of the four interested Governments.'

## ECONOMIC AND SOCIAL COUNCIL

11 Aug.—*Havana Conference Report.* Mr Willard Thorp (U.S.A.) proposed that the Council should merely take note of the report and should refrain from a discussion of the merits or details of the World Trade Charter. Mr Arutiunian (U.S.S.R.) expressed profound dissatisfaction with the Charter. He characterized the post-war trade situation as an attempt by the U.S.A. to capture the world's markets without increasing its own imports and to create a favourable position for U.S. trade through the use of an international organization. The economically developed countries were attempting to control economic expansion under the Charter to the detriment of the less developed countries, and the U.S.S.R. believed that the Charter would restrict rather than expand world trade.

Mr H. M. Phillips (U.K.) said that the Charter represented a substantial agreement and was the best way to proceed. It was true that British export trade was lower in proportion after the war and that the U.S. share was increasing. But when Britain was again able to produce the goods and when replacement ceased to have first claim it might well be that Britain would drive U.S. goods from markets they now occupied. The report was approved 'with satisfaction' by fifteen votes to three.

19 Aug.—*International Bank.* The Council discussed the Bank's report, which showed that it had authorized loans to a number of States to the total amount of U.S. \$513 million, of which \$402 million had been utilized. Since the report had been drawn up a loan had been granted to the Netherlands. Applications under consideration, or in process of negotiation, included a request by Bolivia for \$3 million for a sugar mill; by Brazil for \$75 million for covering foreign currency requirements of electric and telephone plant; by Colombia for a steel mill (amount not stated); by Czechoslovakia for \$350 million for reconstruction of industry, agriculture, transport, and restocking; by

Finland for agriculture (amount not stated); by Italy for \$250 million, for general projects; by Mexico for \$209 million for hydro-electric, irrigation, and other schemes; by Poland for \$600 million for further equipment for the mining industry; by Yugoslavia for \$500 million for mining improvements and electrification; and by the E.C.E. timber sub-committee for \$17 million for increasing timber exports to European importing countries. The Polish delegate said that the Bank had not granted loans to the countries most devastated in the war. A representative of the Bank stated that help in the field of reconstruction had tended to assume an auxiliary character above all towards economic development. For the last eighteen months the Bank had been in contact with various countries concerning measures for stabilizing their economies.

#### INDIA-PAKISTAN COMMISSION

15 Aug.—*Kashmir*. The Commission recommended to the Indian and Pakistan Governments that they order a cease-fire and at the same time accept certain principles as a basis for the formulation of a truce agreement, to be followed by consultation with the Commission on fair and equitable conditions whereby the free expression of the will of the people should be assured in the State of Jammu and Kashmir.

#### INTERNATIONAL BANK

19 Aug.—Discussion on report (see *Economic and Social Council*).

#### MILITARY STAFF COMMITTEE

10 Aug.—At the request of all the Committee's delegations, except that of the U.S.S.R., the chairman, Gen. McCreery, informed the Security Council that the Committee had been unable to agree to undertake the preparation of a draft standard form of special agreement about the forces to be made available to the Council by U.N. members.

#### SECRETARIAT

7 Aug.—The Annual Report of the Secretary-General was published. It advised member nations that in face of the continuing conflict between east and west their first concern should be to gather strength for the Organization. Nothing would contribute more to these ends than the settlement of the German problem. Fuller use should be made of the Security Council by members concerned in disputes. Much might have been said about the uselessness of the Council but in his opinion the powers contained in the Charter would have been more than sufficient to deal with every situation which had come before the Council had they been invoked.

He was studying proposals for the creation of a small U.N. Guard Force, which could be recruited by the Secretary-General. This would not be a substitute for the armed forces envisaged by Article 43 nor a striking force. It would be a force of one to five thousand, to be used for guard duty with U.N. missions in the conduct of plebiscites, and the administration of truce terms.

*Palestine. Arab refugees (see Greece).*

9 Aug.—*Palestine.* It was announced that the Assistant Secretary-General, Mr Robert Jackson, had flown to Rhodes at the Mediator's request and conferred on problems of truce supervision and the necessary equipment and staff. They had also discussed with Sir R. Cilento what assistance could be given to the Arab refugees.

10 Aug.—*Palestine.* In reply to the Secretary-General's inquiry of 3 August on Jewish and Arab refugees, Mr Jamal Husseini (Palestine Arab Higher Committee) said the problem of Jewish refugees in Europe had no relevance to the Palestine problem, and that Jewish refugees were receiving more attention and contributions than any other refugees in Europe. The number of Arab displaced persons in Palestine exceeded 550,000, of whom 300,000 were in neighbouring Arab countries and the rest in Palestine.

16 Aug.—*Palestine.* Count Bernadotte, in a report to the Secretary-General on the steps he had taken or proposed to take to alleviate the suffering of some 330,000 refugees (of whom 6,000 to 7,000 were Jewish), said that the supplies hitherto provided by the Governments directly concerned would soon prove inadequate and he had solicited supplies from other member States of the United Nations and various international organizations. The World Health Organization, the International League of Red Cross Societies, and the U.N. Children's Fund had already promised help. He was prepared to maintain contact with the local organization in each country, and to co-ordinate such supply and distribution services as were needed and available.

18 Aug.—*Budget.* The Secretary-General estimated the cost of operating the United Nations during the financial year 1949 at \$32,681,037.

#### SECURITY COUNCIL

6 Aug.—*Kidnapped Britons.* In a letter to the Chairman, Mr Malik (U.S.S.R.), Sir Alexander Cadogan maintained, in answer to letters from the Zionists' representative, that the five had been abducted illegally. He could not accept that 'more regard should be paid to the word of a lawless, terroristic society than to the testimony of the truce commission itself'.

10 Aug.—*Trieste.* Mr Jessup (U.S.A.) described as 'utterly baseless' the Yugoslav charge that Britain and the U.S.A. had violated the peace treaty provisions pertaining to the Free Territory and raised the question why Yugoslavia preferred it. He saw two motives: first, the 'lamentable but well-known design of Yugoslavia' to separate the Free Territory from its historic associations with Italy and incorporate it in Yugoslavia, and secondly, the familiar action of charging others with misdeeds one has oneself committed in the hope of distracting attention. Yugoslavia ruled its Trieste Zone 'behind an iron curtain of its own', had not provided information of any kind to the Security Council, and had not even advised the Council that it recognized any responsibility to the Council in the administration of its Zone. The U.S.A. was convinced that the return to Italy of the Trieste area was the settlement which most



nearly met the desires of its population and held out the best hope for lasting peace in the area. But in proposing such a treaty revision by peaceful negotiation the U.S.A. had not accepted the theory which seemed to inspire some other Governments that if they did not like a treaty they might disregard it.

Sir Alexander Cadogan drew attention to the serious curtailment of civil liberties in the Yugoslav Zone, with the ban on political meetings and newspapers and the introduction of 'people's courts'; the organization of the police system was reducing the Yugoslav Zone to a police state. Britain thought the Free Territory should be returned to Italy, since the present provisions were rendered unworkable by the Yugoslav's policy in their Zone. The Allied Military Government had been careful to do nothing in its Zone to prejudice the peace treaty settlement. In the British view it was not Britain and the U.S.A. but Yugoslavia that should be called upon to defend its actions in relation to Trieste.

Mr Malik (U.S.S.R.) said the U.S.A., Britain, and France had deliberately delayed Security Council action to appoint a Governor for Trieste, although a 'sufficient number of suitable candidates' had been proposed. This delay was engineered to provide a basis for the proposal to return Trieste to Italy. He insisted on the immediate appointment of a Governor of Trieste and the satisfaction of Yugoslavia's demands.

Report on U.N. military forces (*see Military Staff Committee*).

12 Aug.—*Palestine*. Britain informed the president that £100,000 worth of medical supplies and tentage was being made available for the relief of Arab refugees as soon as the Mediator designated a suitable international organization to receive the goods.

16 Aug.—*Trieste*. Sir Alexander Cadogan said that the Yugoslav Government was itself guilty of violating the Italian peace treaty under the very article in connection with which it had brought the case against Britain and the U.S.A. Article 11 of annex seven prescribed that the Italian lira should continue to be legal tender within the Free Territory until a separate currency for the régime was established. The Yugoslav Government had enforced the use of so-called 'Jugolira' after the treaty came into force. Article 10, annex seven, of the treaty stipulated that existing laws and regulations should remain valid unless and until revoked or suspended by the Governor. Obviously that meant Italian laws and regulations, amended only in so far as the military occupant was authorized to make changes. The Yugoslav Government was responsible for a breach of the treaty in that it did not ignore or repeal on the entry into force of the peace treaty those measures which had been effected in its Zone without proper authority by the so-called people's committees. He referred to changes made in the judicial and political institutions of the Yugoslav Zone, to the radical changes in the agrarian system, and to the application of Yugoslav labour and social insurance laws to part of the territory, and said it became clear to his Government soon after the entry into force of the peace treaty that the Yugoslav Government had virtually incorporated its Zone of occupation into its own country and intended to present the Governor with a *fait accompli*.



17 Aug.—*Palestine*. Count Bernadotte's staff reported that they did not know who was responsible for the blowing-up of the Latrun pumping station. It was reported that Israel had requested the Council for permission to resume military action unless peace was concluded with the Arab States within a time to be fixed by the Council.

18 Aug.—*Palestine*. Count Bernadotte, in a telegram to the Council, said that, owing to the mutual distrust of the parties and the lack until now of an adequate number of observers and transport, 'not only has firing [in Jerusalem] practically never ceased but the situation is gradually getting out of hand . . . Both [parties] have come deliberately to ignore the authority of the United Nations.' At the moment the trouble was confined to Jerusalem, but 'further deterioration in the situation in Jerusalem may lead to a general resumption of hostilities.' He asked the Council to take prompt action with a view to giving effect to their truce resolution, and to make clear to the parties, first, that responsibility would be assessed whether violations of the truce were the work of the opposing armies or of irregulars or dissident elements; secondly, that each party had a duty to do justice to its own dissidents and irregulars when they violated the truce; thirdly, that reprisals and retaliations were not permitted; and, fourthly, that no party would be allowed to gain by violation of the truce.

*Ceylon*. The U.S.S.R. vetoed the admission of Ceylon to the U.N. on the ground that there was doubt whether the Dominion enjoyed the full sovereignty and independence which a member should enjoy.

*Palestine*. Professor Jessup (U.S.A.) said that he was not aware of any circumstances which would incline the Council to revoke or modify its truce resolution, 'unless it should be necessary to order measures under Chapter 7 of the Charter against any party which resorts to war'. The U.S. view was that the truce could be terminated, not by one State or group of States, but only by the Security Council. Sanctions might be applied to whichever party should repudiate the truce. Gen. McNaughton (Canada) said that neither side was entitled to assume freedom of action because of alleged violations of the truce by the other. The Council should make it clear that no unilateral action would be permitted, and remind both parties that failure to comply with the Council's truce resolutions would amount to a break of the peace and oblige the Council to consider immediately the possibility of enforcement action.

19 Aug.—*Palestine*. Count Bernadotte, in a further telegram, said that demilitarization in Jerusalem could not be put into effect unless the United Nations provided an armed force, and added that 'under these conditions I wish to inform the Council that I have serious doubts whether demilitarization can be attained in the near future.'

The Council adopted a resolution calling the attention of Jews and Arabs to their responsibilities for maintenance of the truce.

*Trieste*. The Yugoslav request that the Council, by virtue of its responsibility for the independence of Trieste, should nullify certain financial and monetary agreements concluded between the military commander of the British-U.S. Zone and the Italian Government on

the ground that the agreements in question were inconsistent with the relevant provisions of the Italian peace treaty was rejected. The Soviet delegate, supported by China and Syria, asked that a further effort be made to agree on a Governor for Trieste.

**U.S.A. 6 Aug.—International Wheat Agreement.** The Senate Foreign Relations Committee approved the Agreement, but consideration of it by the Senate was deferred till January because of several questions which had to be cleared up.

**7 Aug.—Special Session.** The Session ended. (Only limited measures on anti-inflation and housing had been passed, most of Mr Truman's other recommendations (see p. 537) being ignored or deferred.)

**Presidency.** The Communist Party Convention, held in New York, adopted a platform which described the Progressive Party (see p. 537) as the 'inescapable historic necessity for millions who want a real choice between peace and war, democracy or fascism, security or poverty'.

**8 Aug.—Palestine.** The U.N. representative of the Palestine Arab Higher Committee, Jamal Husseini, in a published statement, said that he would favour a proposal for a federal régime in Palestine. He thought such a federal régime should control immigration into the Zionist area, but until the complete economic transformation of Palestine had taken place through an irrigation and reclamation programme centred on the Negeb, neither Jewish nor Arab immigration should be permitted to any part of the country.

**9 Aug.—Soviet Citizens.** The Soviet Ambassador, Mr Panyushkin, requested the Government to give up the Russian teacher, Michael Samarin, who had sought refuge with the Federal Bureau of Investigation. The State Department rejected the Note because it was based on conflicting information in the press.

**Antarctic Dispute.** A State Department spokesman said the U.S.A. had no claim in the Antarctic and did not recognize any other country's claims in the region. This did not eliminate the possibility of the U.S. making claims in the future. An official of the Department who had recently visited Chile and Argentina to discuss the question had made no suggestion for a Trusteeship but was merely seeking information.

**11 Aug.—Germany.** Mr Marshall told the press that the U.S.A. would 'persist in efforts to negotiate a settlement of its differences' with the U.S.S.R. but declared that there was no intention to get 'agreement for agreement's sake'.

**Soviet Citizens.** Common Cause Inc., a New York organization for helping refugees, had served a writ of *habeas corpus* on the Soviet Consul-General requiring him to produce a Soviet teacher, Mrs Kosenkina, in the State Supreme Court the following day. Soviet protest (see U.S.S.R.).

**12 Aug.—Korea.** President Truman nominated Mr J. J. Munccio as special representative in Korea with the rank of Ambassador.

**Soviet Citizens.** The Soviet Ambassador protested to the State Department against the serving of the writ and raised the question of immunity for the Consulate. Later Mrs Kosenkina fell from a window

of the Soviet Consulate and was severely injured. She told the police she had jumped deliberately.

The House of Representatives sub-committee on un-American activities heard *in camera* evidence from Mr Samarin. The chairman said Mr Samarin would be given whatever protection the Government could afford him.

13 Aug.—*Soviet Citizens*. Soviet allegations denied (see U.S.S.R.).

15 Aug.—*Soviet Citizens*. The Under-Secretary of State, Mr Lovett, received the Soviet Ambassador, Mr Panyushkin, who protested against further incidents in the Kosenkina case. A subpoena was served on Mrs Kosenkina to appear before the House of Representatives' un-American Activities Committee and she agreed to appear when she had recovered.

*Budget*. In a statement on the Budget for the fiscal year ending 30 June 1949 (see p. 61) President Truman said that expenditure was now estimated at \$42,200 million, an increase of \$2,600 million over the January estimate, due to increases in the national defence programme and higher ex-service men's benefits and tax refunds. Owing to the tax reduction enacted in April receipts would also be substantially lower than was estimated in January, being now estimated at \$40,700 million, making a deficit of \$1,500 million.

17 Aug.—*Palestine*. Mr Marshall received a message from Count Bernadotte in which he appealed for help for the 330,000 Arab and 7,000 Jewish refugees. Successful mediation could continue only if a solution could be found for the most urgent aspects of the great human disaster affecting them and he described their condition as desperate. Thirty per cent were children under five, and more than 10 per cent were pregnant women and nursing mothers. They were almost entirely without food, except for small supplies of flour. He asked for 2,500 tons of wheat, 100 tons of canned meat, 50 tons of cheese, 50 tons of butter, and 20 tons of D.D.T., 10 per cent immediately and a further 90 per cent within three months at latest. He emphasized that the essential factor was time, as the refugees were being swept by epidemic diseases and winter was approaching.

18 Aug.—*Danube Conference*. The Government stated: 'The unhappy subservience of the Danube peoples to Soviet imperialism was never more clearly manifest than at this conference. There was an evident Soviet determination to perpetuate its economic and political enslavement of the Danube peoples. . . . The lip-service which the Soviet delegation has paid to freedom of navigation is a shadow—it has no substance.' The 'regrettable' results of the Soviet conduct were to close one of the principal doors for east-west trade and to 'defeat and destroy the whole concept of the international waterways which has been public law of Europe for over 130 years'. Britain, France, Belgium, Greece, Italy, and Germany were deprived of their long-standing rights. 'We regard those treaties as being in force according to international law until they are terminated by the agreement of all the parties thereto. . . . It is obvious the U.S.A. cannot accept the draft convention which the U.S.S.R. is imposing upon its satellites. . . . The U.S.A. will not

recognize, either for itself or for those parts of Austria and Germany which are under its control, the authority of any commission set up in this manner to exercise any jurisdiction in those portions of Austria and Germany.'

**U.S.S.R. 6 Aug.—Germany.** The three envoys had an interview at the Kremlin with Mr Molotov, and afterwards a discussion among themselves at the U.S. Embassy.

9 Aug.—Sr Nenni (*see p. 532*) arrived in Moscow.

**Germany.** The three western envoys had a further interview with Mr Molotov following a conference at the U.S. Embassy.

**Israel.** Minister arrives (*see Palestine*).

**Cominform Dispute.** Correspondence published (*see Yugoslavia*). Surrender of Russian demanded (*see U.S.A.*).

10 Aug.—**Germany.** The Soviet journals *Red Star* and *New Times* published attacks on the project for setting up a separate West German régime.

11 Aug.—Writ served on Soviet Consul (*see U.S.A.*).

12 Aug.—**Germany.** Mr Molotov received the three western envoys. Mr Smirnov, deputy Foreign Minister, was also present.

**Soviet Citizens in U.S.A.** Moscow radio stated that Mr Molotov had protested to the U.S. Ambassador against U.S. official 'connivance' in the disappearance of three Soviet citizens in the U.S.A. who were to have sailed for the U.S.S.R. and that he had 'insisted' on the immediate release of two of them and their children. He alleged that they had been abducted by 'White Russian gangsters' (*see also U.S.A.*).

13 Aug.—**Soviet Citizens in U.S.A.** The U.S. Ambassador, Mr Bedell Smith, in an interview with Mr Molotov, denied Soviet allegations that the U.S. Government was involved in the endeavour of two Soviet teachers to remain in the U.S.A.

15 Aug.—**Germany.** The western envoys met at the U.S. Embassy.

**Soviet Citizens in U.S.A.** Further protest (*see U.S.A.*).

16 Aug.—**Germany.** The western envoys met at the U.S. Embassy and were later received by Mr Molotov.

**YUGOSLAVIA. 9 Aug.—Cominform Dispute.** A booklet was issued for the private guidance of Communist Party members giving the Yugoslav version of the correspondence with the Soviet Communists. It revealed that Marshal Tito in 1946 had asked that the Soviet military and civilian missions should be reduced. He had complained that a general in the Yugoslav Army got only 9,000 to 11,000 dinars a month and a minister only 12,000, while Soviet experts from the rank of Lt-Col. to General got from 31,000 to 40,000 dinars, all at the expense of the Yugoslav Government. Mr Djilas, in confidential conversation, had drawn attention to a few examples of bad conduct by Soviet officers and had said that if these went on they would be used by reactionaries and contrasted with the good behaviour of British officers.

The Government withdrew all passports and announced that no one might leave the country until new passports were issued.

13 Aug.—Marshal Tito, in a speech to the first Proletarian Division, said that the policy chosen in dealing with the peasants was not an invention of the Yugoslav Communist Party, but was a result of their study of developments since the Bolshevik revolution. In solving their difficulties the Yugoslav Communists were trying to take advantage of Bolshevik experience while aiming towards the same goal. At their recent party congress they had decided that a declaration about advancing towards nationalization of the land would not now have any practical meaning and would only throw the peasants into confusion, a confusion which the country could do without. 'We have already taken enough land from the kulaks, and today they have no more than twenty-five to thirty hectares. Tomorrow, when we have sufficient means and can help the working and other agricultural co-operatives with machinery and credits, then there will be less danger of the kulaks and other speculators growing rich. These co-operatives will then produce enough goods to supply our people. This is the road towards the victory of Socialism in the villages.' At the congress the Yugoslav Communists had decided that beyond doubt they could build Socialism in Yugoslavia, but it was quite false to suppose that they had ever thought of going into Socialism alone, or of doing without the U.S.S.R. or the People's Democracies, or of isolating themselves and closing their eyes to the rest of the world. They had never imagined it possible that any one in those countries could call their co-operation in question, and yet now people there were accusing them of trying to build Socialism alone. Referring to soldiers he said that they must be fully educated in Socialism so that they could spread the gospel to the masses of the people. They must learn from the experiences of the Soviet Army, but 'once more, I emphasize, do not forget our own experiences.'

16 Aug.—*Frontier with Italy*. Discussions (*see Italy*).

18 Aug.—Gen. Yovanovich, Chief of Staff of the Army of National Liberation from December 1941 to September 1945, was shot while trying to escape into Rumania. With him were Gen. Petrichevich, who was arrested, and Col. Dapchevich, who crossed into Rumania.

VIET NAM. 7 Aug.—It was announced that a French convoy had been ambushed on 4 August 150 miles south-west of Saigon, and twenty-eight French soldiers had been killed.

19 Aug.—The President of the provisional Government, Gen. Xuan, commenting on the French Government's declaration (*see France*), said that the military commanders agreed with him that a solution by force would be disastrous for Viet Nam and France. He spoke of 'concessions' to the Government of Dr Ho Chi Minh. He thought it dangerous for a people without education to advance too fast along the road of complete democracy. The best solution was that proposed by Bao-Dai. 'Viet Nam must rally to constitutional monarchy, with a strong executive, similar to the U.S. system.'

WESTERN UNION. 18 Aug.—European Assembly proposal (*see France*).

## FORTHCOMING EVENTS

- Aug. 30 Conference of the International Law Association, Brussels.
- Sept. 1 First Meeting of the West-German Constituent Assembly.
- "   6 Coronation of Princess Juliana, Amsterdam.
- "   8 Meeting of Foreign Ministers of Sweden, Norway, and  
Denmark, Stockholm.
- " 15 General Election in Sweden.
- " 21 U.N. General Assembly, Paris.
- " 27 British Africa Conference, London.
- " 29 International Law Association Conference, Brussels.
- 1949
- May — Conference on the conservation and utilization of the world's  
resources, Lake Success.



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